



General Assembly

January Session, 2007

***Raised Bill No. 7147***

LCO No. 4365

\*04365\_\_\_\_\_GAE\*

Referred to Committee on Government Administration and Elections

Introduced by:  
(GAE)

***AN ACT CONCERNING COMPREHENSIVE REFORM OF THE STATE CONTRACTING PROCESS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1      Section 1. (*Effective from passage*) The joint standing committee of the  
2      General Assembly having cognizance of matters relating to  
3      government administration shall conduct a comprehensive study of  
4      the state contracting process and, not later than January 1, 2008, shall  
5      submit a report to the General Assembly on its findings and  
6      recommendations.

7      Sec. 2. Section 1-218 of the general statutes is repealed and the  
8      following is substituted in lieu thereof (*Effective January 1, 2008*):

9      Each contract in excess of [two million five hundred] two hundred  
10     fifty thousand dollars between a public agency and a person for the  
11     performance of a governmental function and any subcontract between  
12     such person and any other person that is related to the performance of  
13     such governmental function shall (1) provide that the public agency is  
14     entitled to receive a copy of records and files, including, but not

15 limited to, the titles and salaries of the employees of such person,  
16 related to the performance of the governmental function, and (2)  
17 indicate that such records and files are subject to the Freedom of  
18 Information Act and may be disclosed by the public agency pursuant  
19 to the Freedom of Information Act. No request to inspect or copy such  
20 records or files shall be valid unless the request is made to the public  
21 agency in accordance with the Freedom of Information Act. Any  
22 complaint by a person who is denied the right to inspect or copy such  
23 records or files shall be brought to the Freedom of Information  
24 Commission in accordance with the provisions of sections 1-205 and 1-  
25 206.

26       Sec. 3. (NEW) (*Effective January 1, 2008*) (a) Notwithstanding any  
27 provision of the general statutes, on or before March thirty-first of each  
28 calendar year, any for-profit or nonprofit agency that has a contract,  
29 subcontract, personal service agreement or purchase of service  
30 agreement with the state to provide services to any state agency and  
31 which constitutes the performance of a governmental function, as  
32 defined in section 1-200 of the general statutes, as a condition of such  
33 contract, subcontract, personal service agreement or purchase of  
34 service agreement, shall provide, in a format determined by the  
35 commissioner of such state agency, the following information to such  
36 state agency: (1) Such for-profit or nonprofit agency's identifying  
37 information, including the official name of such for-profit or nonprofit  
38 agency, (2) any applicable provider state identification number, (3) the  
39 name, business address and telephone number of the executive  
40 responsible for such contract, subcontract, personal service agreement  
41 or purchase of service agreement, (4) financial information including  
42 the total annual operating budget that shall set forth annual  
43 expenditures for personnel and administrative expenses, in addition to  
44 any independently conducted audits within the possession of such for-  
45 profit or nonprofit agency that relate to the performance of such  
46 governmental function, (5) personnel compensation information that  
47 shall include the average annual wages or salaries of employees and  
48 professional staff engaged in such contracted for services, (6) the

49 names and salaries of the three highest paid officials of such for-profit  
50 or nonprofit agency, (7) health care information that shall include the  
51 percentage of employees and professional and managerial personnel  
52 who receive health care insurance through such for-profit or nonprofit  
53 agency, and (8) any performance assessments conducted by such for-  
54 profit or nonprofit agency in connection with such contract,  
55 subcontract, personal service agreement or purchase of service  
56 agreement.

57 (b) Any information submitted pursuant to the provisions of  
58 subsection (a) of this section shall be subject to disclosure in  
59 accordance with the provisions of chapter 14 of the general statutes.

60 Sec. 4. Section 17b-656 of the general statutes is repealed and the  
61 following is substituted in lieu thereof (*Effective October 1, 2008*):

62 Whenever any products made or manufactured by or services  
63 provided by persons with disabilities through community  
64 rehabilitation programs described in subsection (b) of section 17b-655  
65 or in any workshop established, operated or funded by nonprofit and  
66 nonsectarian organizations for the purpose of providing persons with  
67 disabilities training and employment suited to their abilities meet the  
68 requirements of any department, institution or agency supported in  
69 whole or in part by the state as to quantity, quality and price such  
70 products shall have preference over products or services from other  
71 providers, except (1) articles produced or manufactured by blind  
72 persons under the direction or supervision of the Board of Education  
73 and Services for the Blind as provided in section 10-298a, (2) articles  
74 produced or manufactured by Department of Correction industries as  
75 provided in section 18-88, (3) emergency purchases made under  
76 section 4-98, and (4) janitorial services provided by a qualified  
77 partnership, pursuant to the provisions of subsections (b) to (e),  
78 inclusive, of section 4a-82. All departments, institutions and agencies  
79 supported in whole or in part by the state shall purchase such articles  
80 made or manufactured and services provided by persons with

81 disabilities from the Bureau of Rehabilitation Services of the  
82 Department of Social Services. Any political subdivision of the state  
83 may purchase such articles and services through the Bureau of  
84 Rehabilitation Services of the Department of Social Services. A list  
85 describing styles, designs, sizes and varieties of all such articles made  
86 by persons with disabilities and describing all available services  
87 provided by such persons shall be prepared by the [Connecticut  
88 Community Providers Association] Bureau of Rehabilitation Services  
89 of the Department of Social Services. The Bureau of Rehabilitation  
90 Services of the Department of Social Services shall cooperate with the  
91 State Board of Education and Services for the Blind by submitting  
92 necessary information concerning such products and services to the  
93 Board of Education and Services for the Blind at frequent intervals.

94 Sec. 5. Subsection (c) of section 4a-59 of the general statutes is  
95 repealed and the following is substituted in lieu thereof (*Effective*  
96 *October 1, 2007*):

97 (c) All open market orders or contracts shall be awarded to (1) the  
98 lowest responsible qualified bidder, the qualities of the articles to be  
99 supplied, their conformity with the specifications, their suitability to  
100 the requirements of the state government and the delivery terms being  
101 taken into consideration and, at the discretion of the Commissioner of  
102 Administrative Services, life-cycle costs and trade-in or resale value of  
103 the articles may be considered where it appears to be in the best  
104 interest of the state, (2) the highest scoring bidder in a multiple criteria  
105 bid, in accordance with the criteria set forth in the bid solicitation for  
106 the contract, or (3) the proposer whose proposal is deemed by the  
107 awarding authority to be the most advantageous to the state, in  
108 accordance with the criteria set forth in the request for proposals,  
109 including price and evaluation factors. Notwithstanding any provision  
110 of the general statutes to the contrary, each state agency awarding a  
111 contract through competitive negotiation shall include price as an  
112 explicit factor in the criteria in the request for proposals and for the  
113 contract award. In considering past performance of a bidder for the

114 purpose of determining the "lowest responsible qualified bidder" or  
115 the "highest scoring bidder in a multiple criteria bid", the  
116 commissioner shall evaluate the skill, ability and integrity of the  
117 bidder in terms of the bidder's fulfillment of past contract obligations  
118 and the bidder's experience or lack of experience in delivering  
119 supplies, materials, equipment or contractual services of the size or  
120 amount for which bids have been solicited. In determining the lowest  
121 responsible qualified bidder for the purposes of this section, the  
122 commissioner may give a price preference of up to ten per cent for (A)  
123 the purchase of goods made with recycled materials or the purchase of  
124 recyclable or remanufactured products if the commissioner determines  
125 that such preference would promote recycling or remanufacturing. As  
126 used in this subsection, "recyclable" means able to be collected,  
127 separated or otherwise recovered from the solid waste stream for  
128 reuse, or for use in the manufacture or assembly of another package or  
129 product, by means of a recycling program which is reasonably  
130 available to at least seventy-five per cent of the state's population,  
131 "remanufactured" means restored to its original function and thereby  
132 diverted from the solid waste stream by retaining the bulk of  
133 components that have been used at least once and by replacing  
134 consumable components and "remanufacturing" means any process by  
135 which a product is remanufactured; (B) the purchase of motor vehicles  
136 powered by a clean alternative fuel; or (C) the purchase of motor  
137 vehicles powered by fuel other than a clean alternative fuel and  
138 conversion equipment to convert such motor vehicles allowing the  
139 vehicles to be powered by either the exclusive use of clean alternative  
140 fuel or dual use of a clean alternative fuel and a fuel other than a clean  
141 alternative fuel. As used in this subsection, "clean alternative fuel" shall  
142 mean natural gas or electricity when used as a motor vehicle fuel. All  
143 other factors being equal, preference shall be given to supplies,  
144 materials and equipment produced, assembled or manufactured in the  
145 state and services originating and provided in the state. No such  
146 supplies, materials, equipment or services shall be produced,  
147 assembled, manufactured or originate, as the case may be, outside of

148 the United States. If any such bidder refuses to accept, within ten days,  
149 a contract awarded to such bidder, such contract may be awarded to  
150 the next lowest responsible qualified bidder or the next highest scoring  
151 bidder in a multiple criteria bid, whichever is applicable, and so on  
152 until such contract is awarded and accepted. If any such proposer  
153 refuses to accept, within ten days, a contract awarded to such  
154 proposer, such contract shall be awarded to the next most  
155 advantageous proposer, and so on until the contract is awarded and  
156 accepted. There shall be a written evaluation made of each bid. This  
157 evaluation shall identify the vendors and their respective costs and  
158 prices, document the reason why any vendor is deemed to be  
159 nonresponsive and recommend a vendor for award. A contract valued  
160 at one million dollars or more shall be awarded to a bidder other than  
161 the lowest responsible qualified bidder or the highest scoring bidder in  
162 a multiple criteria bid, whichever is applicable, only with written  
163 approval signed by the Commissioner of Administrative Services and  
164 by the Comptroller. The commissioner shall submit to the joint  
165 standing committee of the General Assembly having cognizance of  
166 matters relating to government administration, the State Auditors and  
167 the Comptroller, an annual report of all awards made pursuant to the  
168 provisions of this section.

169       Sec. 6. (NEW) (*Effective October 1, 2007*) Every contract entered into  
170 on or after October 1, 2007, to which the state or any political  
171 subdivision of the state is a party shall contain the following provision:  
172 The contractor agrees and warrants that in the performance of the  
173 contract such contractor will not use the services of any subcontractor,  
174 person or group of persons located outside the United States or its  
175 territories or transfer any of the contracted work or service to a  
176 location outside the United States or its territories, unless the  
177 contracted work or service is not available in the United States or its  
178 territories.

179       Sec. 7. (*Effective July 1, 2007*) The sum of three hundred thousand  
180 dollars is appropriated to the Department of Administrative Services,

181 from the General Fund, for the fiscal year ending June 30, 2008, for the  
182 purpose of conducting a study regarding the disparities in minority  
183 contracting, including, but not limited to, an examination of the  
184 number of female contractors in comparison with the number of  
185 minority contractors.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	New section
Sec. 2	<i>January 1, 2008</i>	1-218
Sec. 3	<i>January 1, 2008</i>	New section
Sec. 4	<i>October 1, 2008</i>	17b-656
Sec. 5	<i>October 1, 2007</i>	4a-59(c)
Sec. 6	<i>October 1, 2007</i>	New section
Sec. 7	<i>July 1, 2007</i>	New section

***Statement of Purpose:***

To require a study of the state contracting process, create accountability in contracting with nonprofit agencies and prohibit state contracts with offshore companies.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*